

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE
4

5 Legislative Document

No. 1828

6
7 H.P. 1406

House of Representatives, January 4, 1984

8 Reference to the Committee on Public Utilities. Ordered printed and sent
9 up for concurrence.

10 Approved for introduction by the Legislative Council pursuant to Joint
Rule 26.

EDWIN H. PERT, Clerk

Presented by Representative Ridley of Shapleigh.

11 Cosponsors: Representative Weymouth of West Gardiner, Representative
Vose of Eastport and Senator Emerson of Penobscot.

12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-FOUR
16

17 AN ACT to Clarify Utility Financing
18 of Energy Conservation.
19

20 Be it enacted by the People of the State of Maine as
21 follows:

22 35 MRSA §94, first ¶, as enacted by PL 1977, c.
23 521, is amended to read:

24 The Public Utilities Commission shall mandate,
25 after notice and hearing on the proposed schedule, a
26 scheduled phasing-in of the improvements in electric
27 utility rate design and related regulatory programs
28 approved under section 93 and is authorized to order
29 utilities to develop and implement electric utility
30 rate design improvements approved by the commission
31 on temporary, pilot and experimental basis, affecting
32 either a portion or all of any class of consumers of
33 any utility as the commission may determine is appro-
34 priate to carry out the purposes of this Act, and or-
35 der other energy conservation techniques, programs

1 and innovations relating to electric public utility
2 service that, in the commission's judgment, are prac-
3 ticable, just and reasonably related to fulfilling
4 the purposes of this chapter. In ordering any rate
5 design improvements or any other programs for imple-
6 menting energy conservation techniques and innova-
7 tions referred to in section 93, the commission shall
8 consider and assure the revenue requirements of the
9 utility. In assuring the revenue requirements of the
10 utility, the commission shall take into account the
11 utility's incremental costs associated with imple-
12 menting and operating those improvements and programs
13 and, in the event those improvements or programs are
14 implemented or ordered into effect in a manner such
15 that the costs associated therewith were not consid-
16 ered in the utility's most recent general rate pro-
17 ceeding under section 64 or 296, the commission
18 shall, at the time the improvements or programs are
19 implemented or ordered into effect, allow the utility
20 to adjust its rates to recover, over an appropriate
21 period, the reasonable costs incurred by the utility
22 in connection therewith, as of that time, and to in-
23 clude, as a cost of service for rate-making purposes,
24 the reasonable estimated costs of implementing and
25 operating those improvements and programs.

26 STATEMENT OF FACT

27 Last year, the Legislature amended the Electric
28 Rate Reform Act to authorize the Public Utilities
29 Commission to order utilities to implement energy
30 conservation loan programs. Uncertainty has arisen
31 regarding the extent to which the Legislature in-
32 tended that the commission compensate the utilities
33 for their efforts in implementing these programs.
34 Because of this uncertainty, there is a risk that
35 utilities may never be reimbursed for the costs of
36 implementing these programs. This bill makes it
37 clear that utilities should be fully and fairly com-
38 pensated for participating in these programs, thereby
39 encouraging the development of additional worthwhile
40 programs under the Electric Rate Reform Act.

41 5166121683